



# **Controller's Affiliate Group**

## **DLGF Update**

**Timothy J. Rushenberg**

**Commissioner**

**Department of Local Government Finance**

**January 19, 2010**



# Overview

- **2009 Year in Review at DLGF**
- **Property Tax Relief**
- **Our Mission: Restoring Property Tax Cycle**
- **2010 Census**



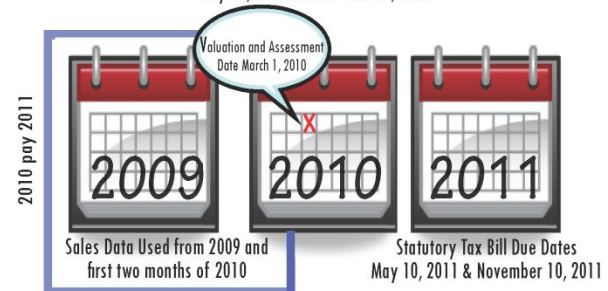
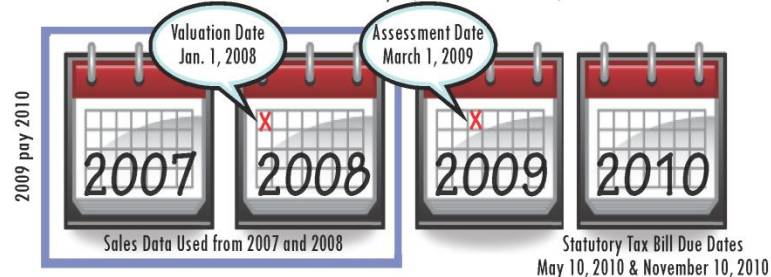
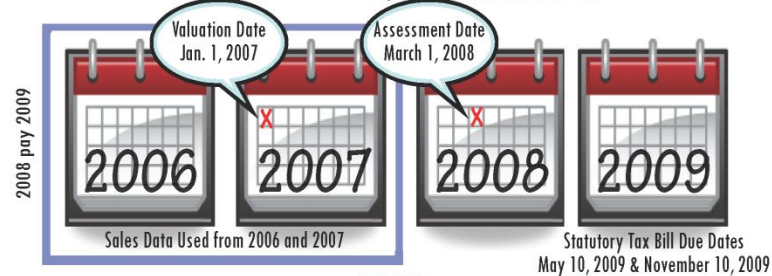
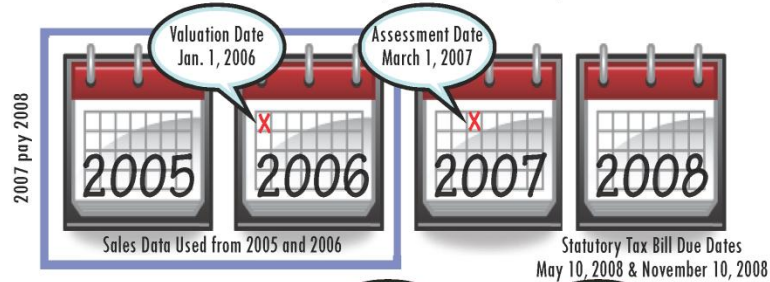
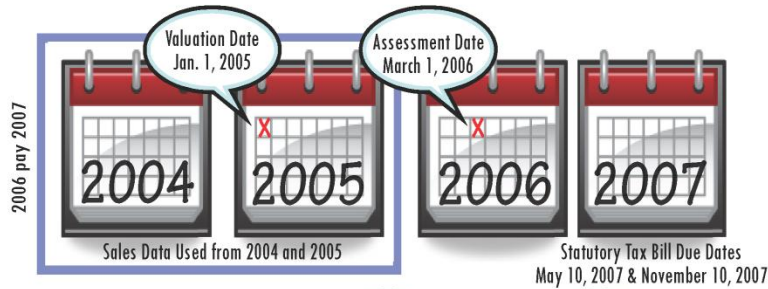
# **2009: “A Year in Review”**

- **Re-built relationships and improved communication with taxpayers, legislators, counties and taxing units**
- **Established Core Values and Mission of On-time Billing**
- **Streamlined ratio study review and data compliance processes**
- **Tax bills due 2 months or 36% sooner in 2009**



# DLGF Update

## Property Tax Relief



Assessment Date vs. Valuation Date  
Department of Local Government Finance



# Effective Tax Rates

## ■ 2007

- Homestead = **0.95%**
- Other Real Property = **1.96%**
- Personal Property = **2.22%**

## ■ 2008

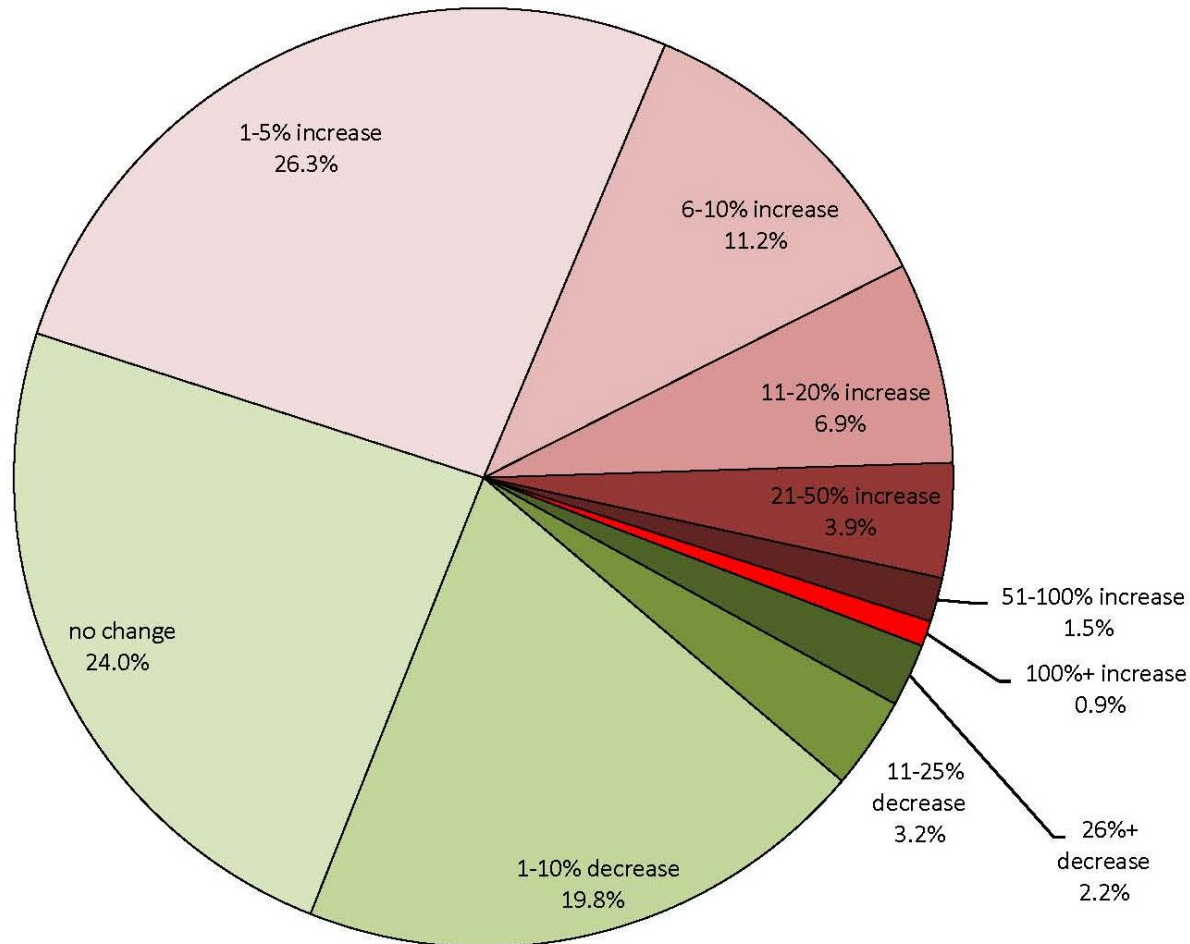
- Homestead = **0.59%**
- Other Real Property = **1.60%**
- Personal Property = **1.78%**

## ■ 2009

- Homestead = **0.57%**
- Other Residential, Ag Land, Long Term Care Facilities = **1.89%**
- Businesses and Other Property = **1.99%**

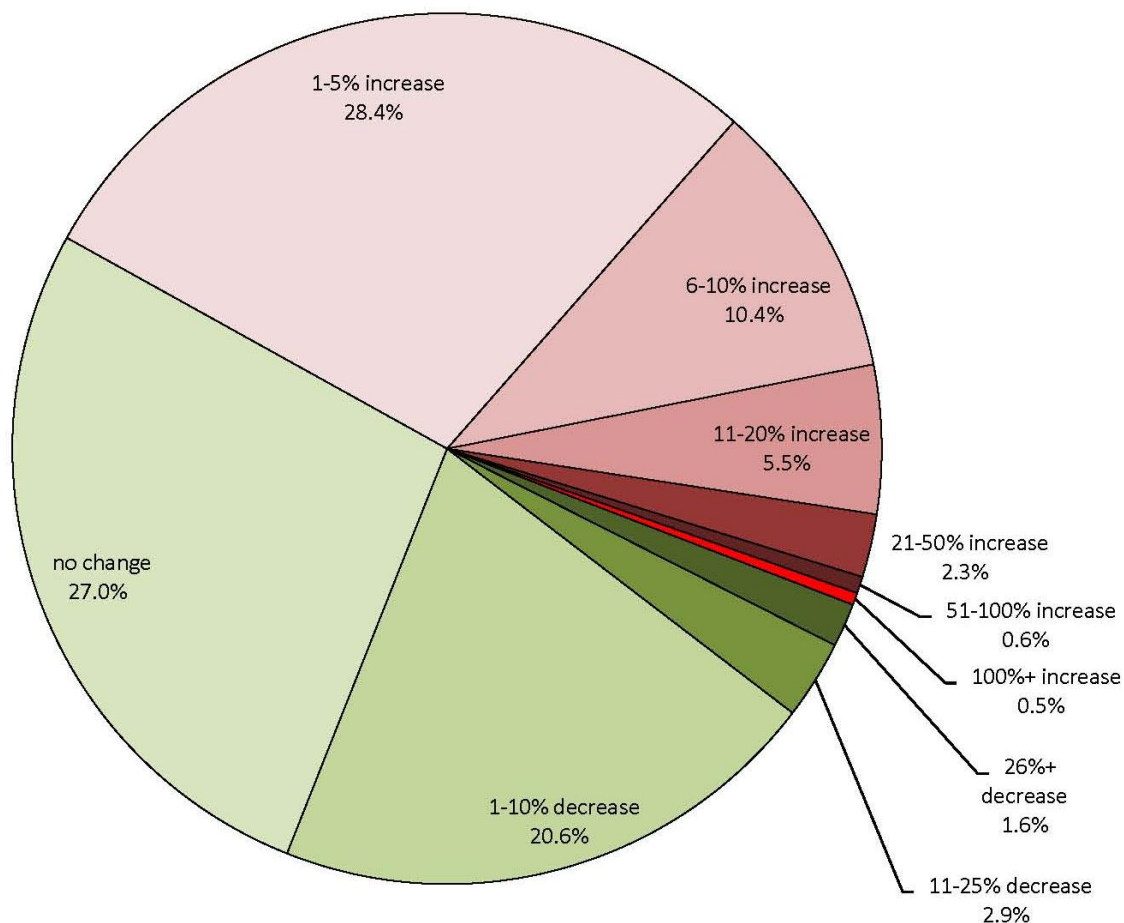


# Pay07 – Pay08 Change in Residential Gross AV





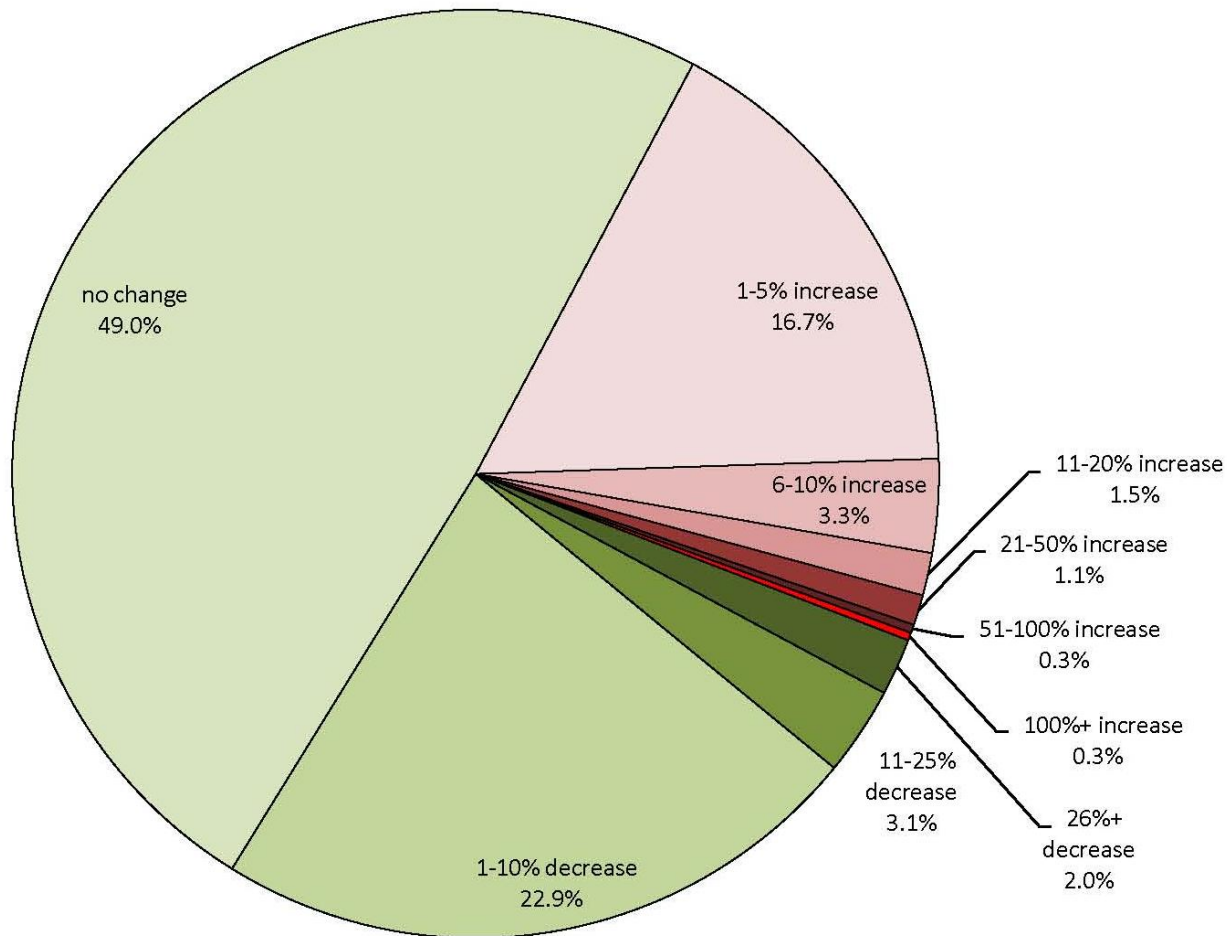
# Pay08 – Pay09 Change in Residential Gross AV





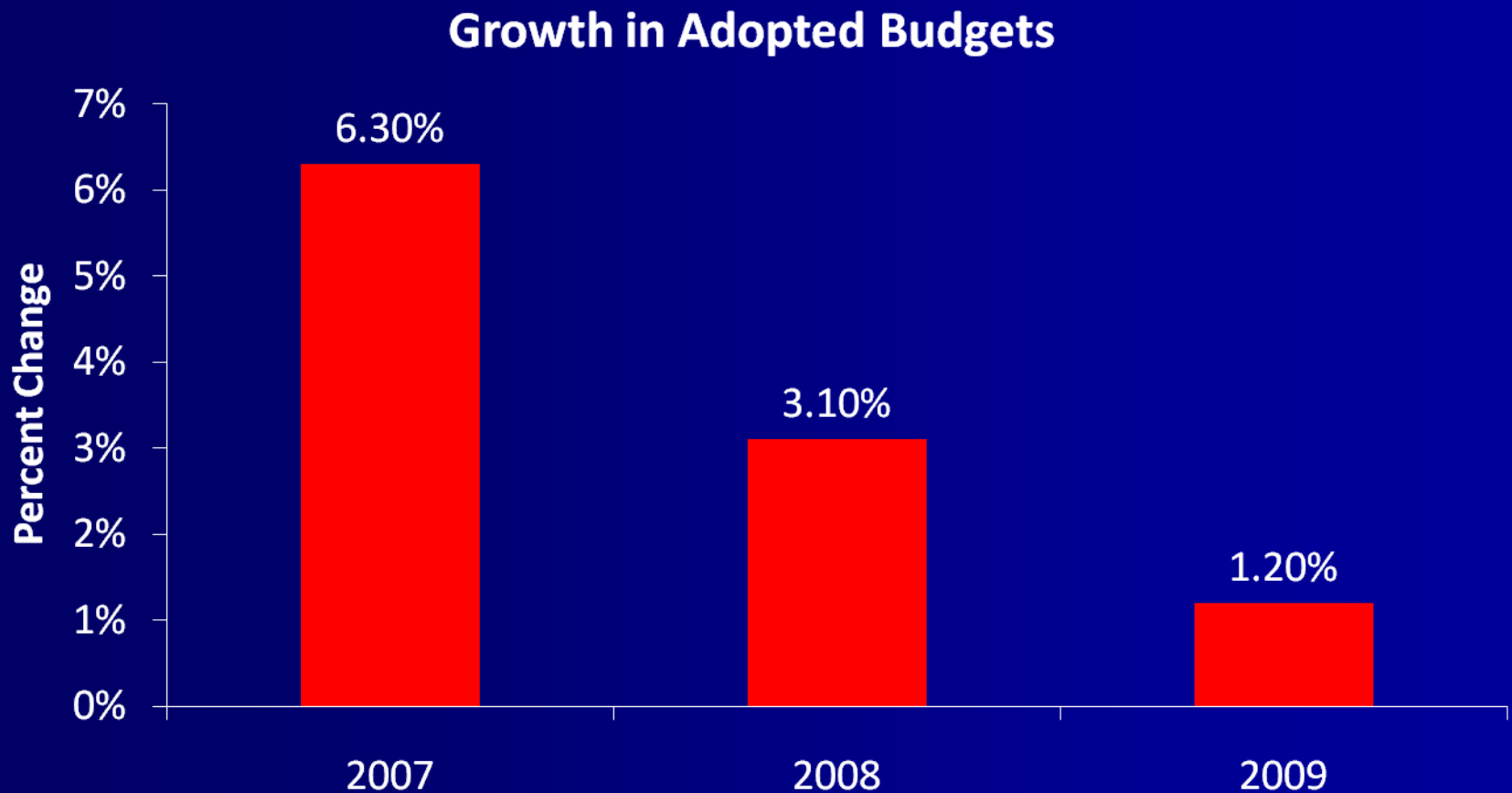


# Pay09 – Pay10 Change in Residential Gross AV





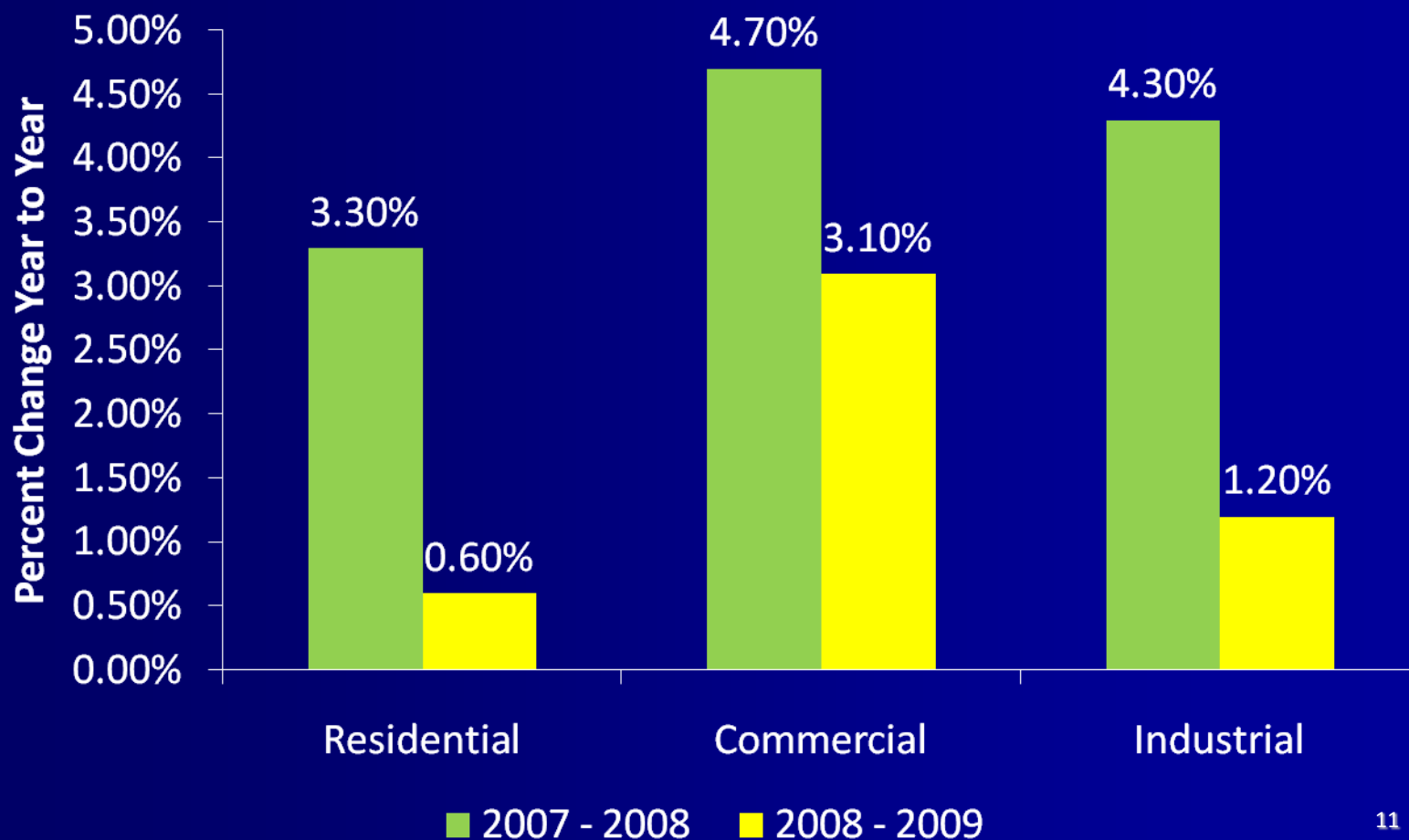
# Adopted Budget History





# 2007 to 2009

## Gross Assessed Value Changes





# Property Tax Relief

- Circuit Breaker Caps took effect at 1.5%, 2.5% and 3.5% of property's gross assessed value in 2009.
- Beginning in 2009, State assumed \$3 billion in local spending.
- Many property owners will see additional cuts next year as the caps drop to 1%, 2% and 3%.
- State-provided property tax relief has increased since 2007.
- Homeowner tax bills fell 3.3% on average from 2008 to 2009.



# **DLGF Update**

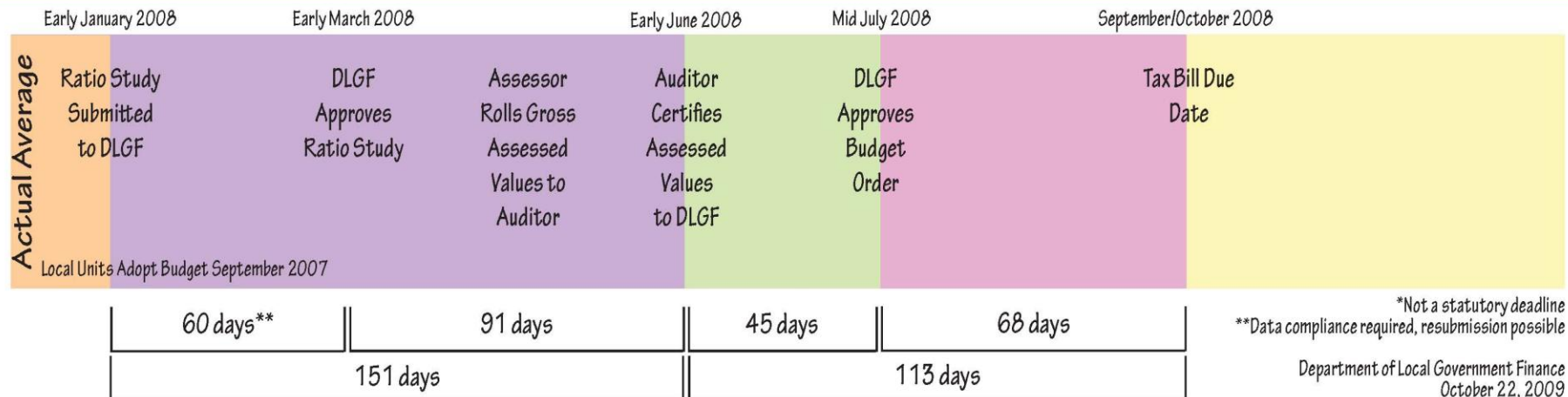
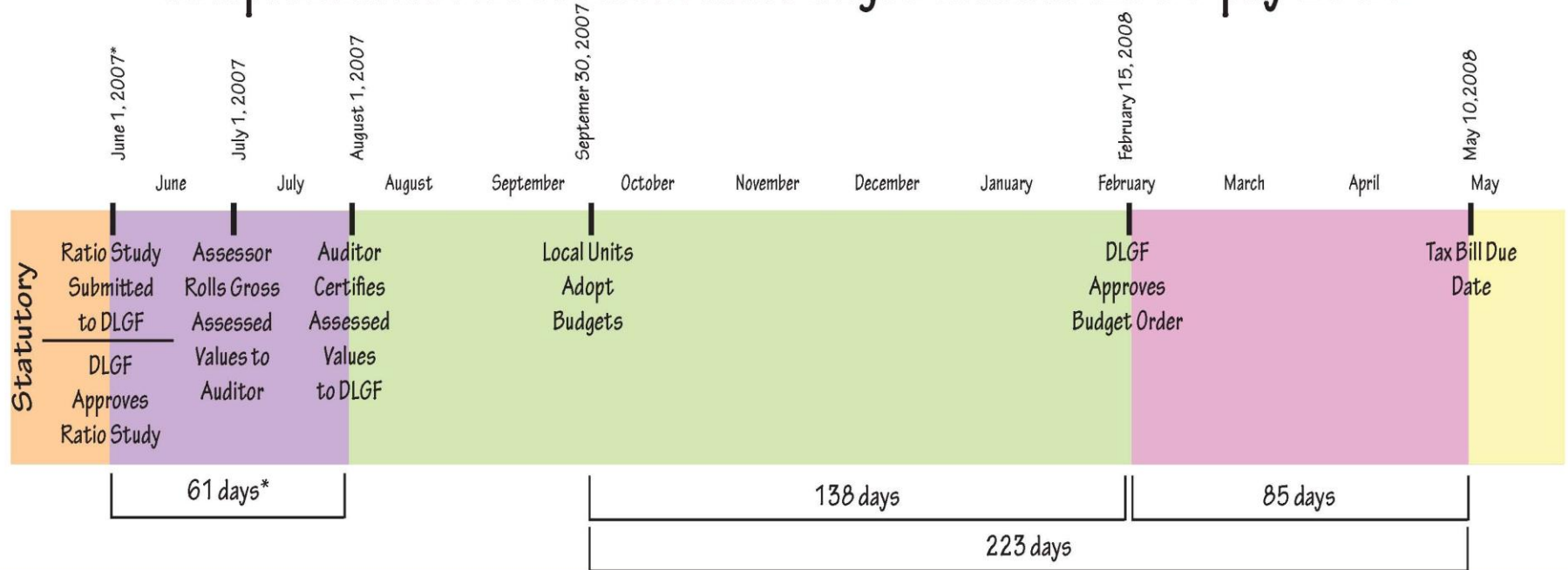
**Our Mission: To Restore the  
Assessment-to-Tax Billing Cycle**



# Restore On-Time Billing

- Reduce turnaround time for review and approval of ratio studies (includes counties w/data compliance issues)
  - 2007 pay 2008 – 60 days
  - 2008 pay 2009 – 55 days
  - 2009 pay 2010 – 18 days
  
- Reduce turnaround time for budget certification once certified assessed values are received (or local budget have been adopted)
  - 2007 pay 2008 – 45 days
  - 2008 pay 2009 – 39 days
  - 2009 pay 2010 – 47 days

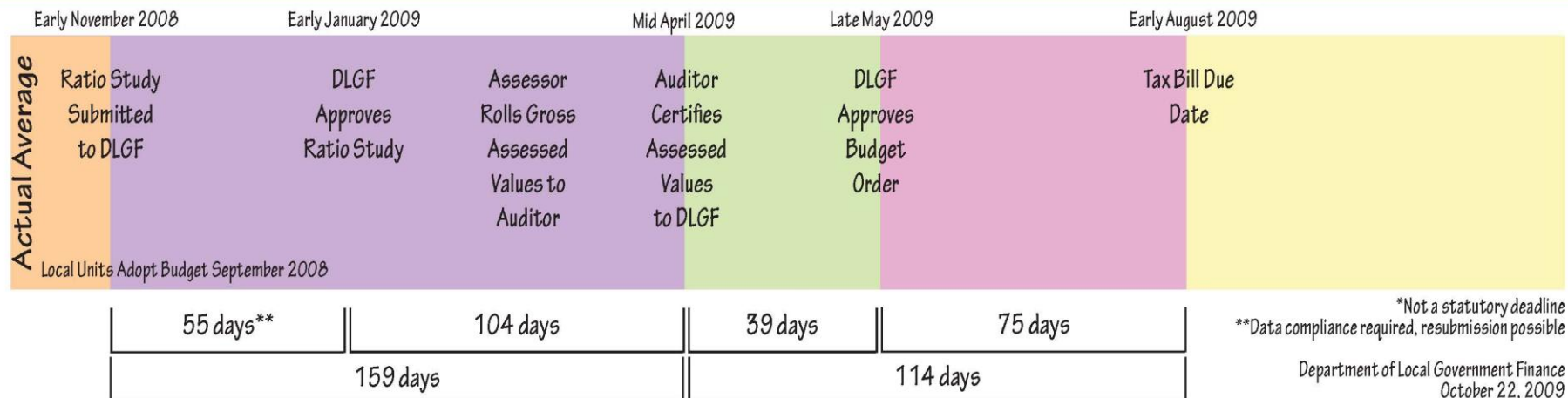
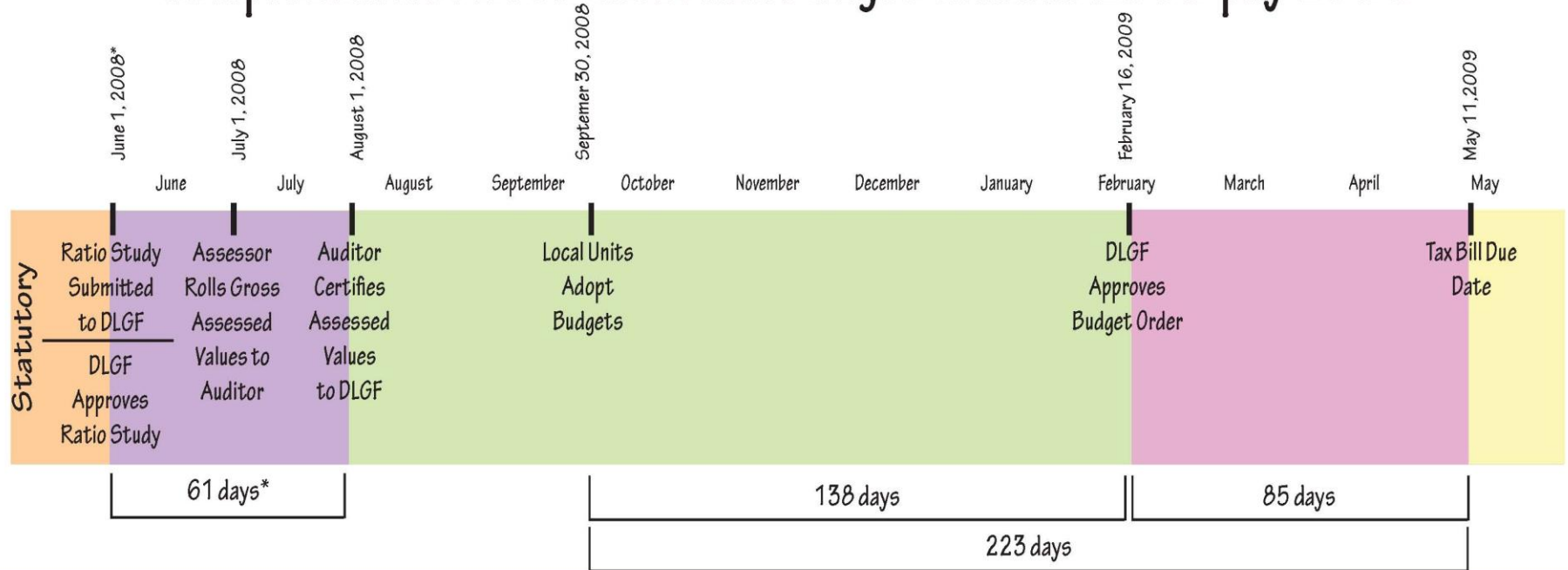
# Comprehensive Assessment and Budget Timeline 2007 pay 2008



\*Not a statutory deadline  
 \*\*Data compliance required, resubmission possible

Department of Local Government Finance  
 October 22, 2009

# Comprehensive Assessment and Budget Timeline 2008 pay 2009

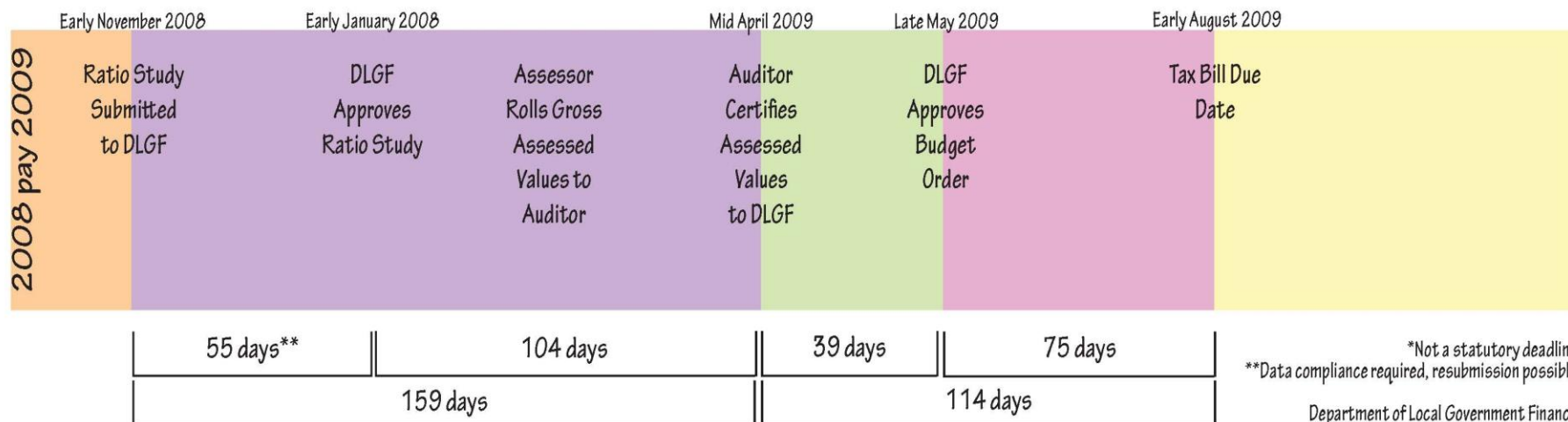
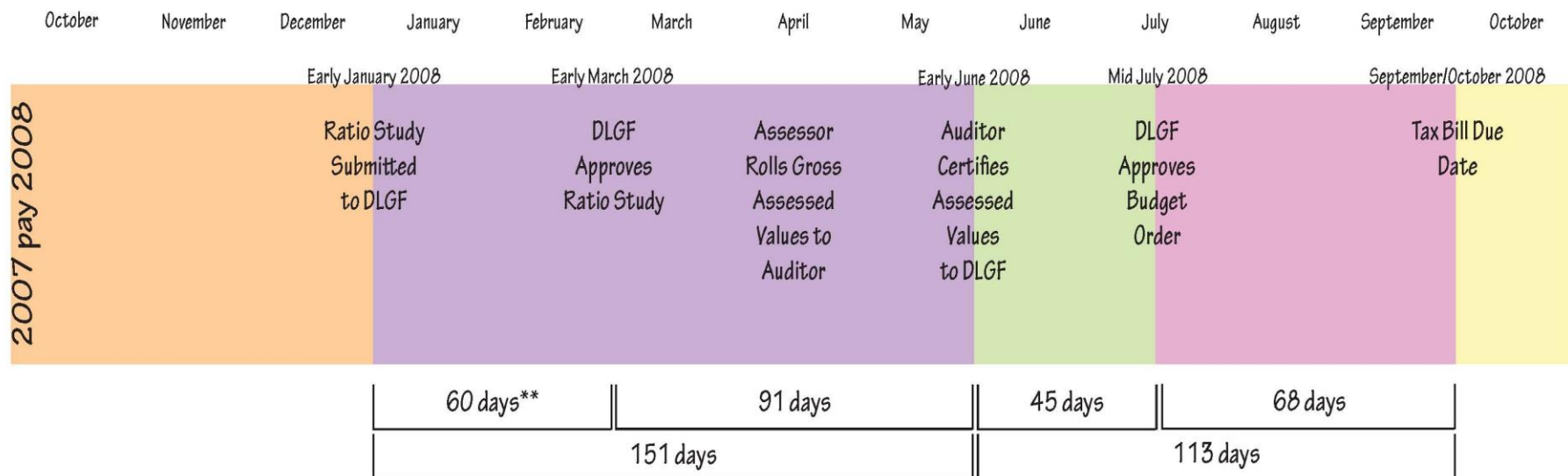


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Department of Local Government Finance  
 October 22, 2009



# Comprehensive Assessment and Budget Timeline



\*Not a statutory deadline  
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Department of Local Government Finance  
 October 22, 2009

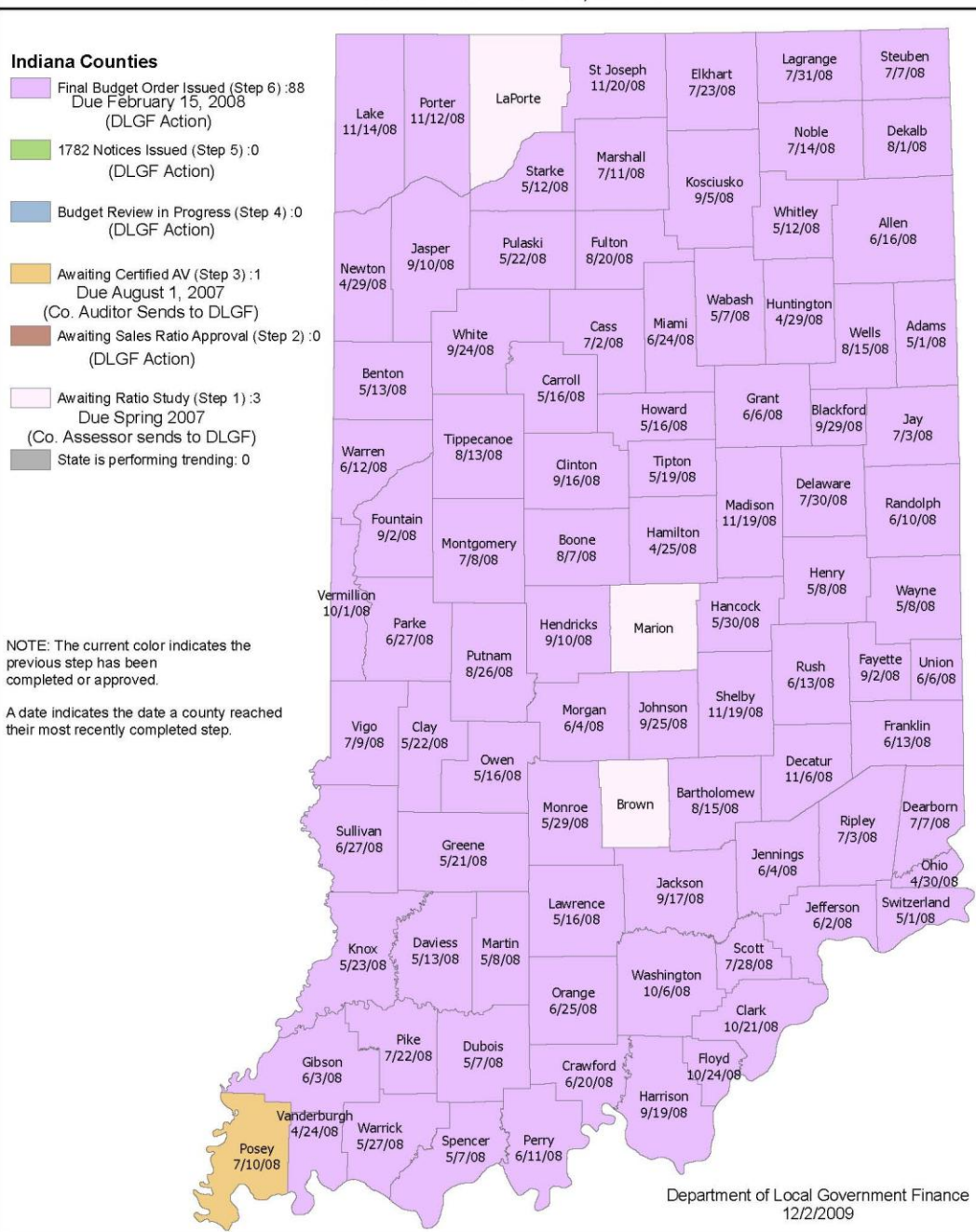


# 2008 Budget Certification status as of January 13, 2009

Status Maps:

<http://www.in.gov/dlgf/6827.htm>

2007 pay 2008 Budget Certification Status Map  
As of December 2, 2008





# 2009 Budget Certification status as of January 13, 2010

Status Maps:

<http://www.in.gov/dlgf/6827.htm>

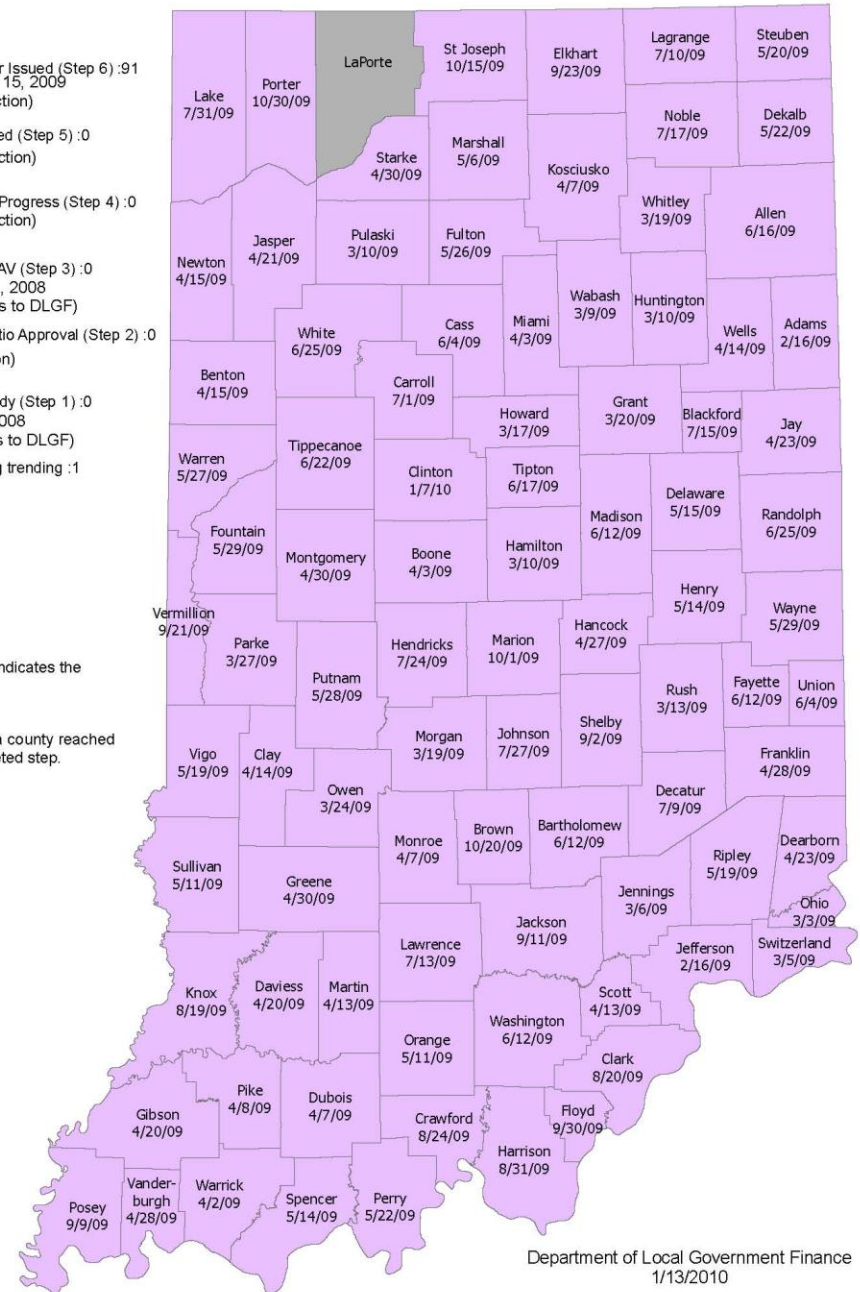
## 2008 pay 2009 Budget Certification Status Map As of January 13, 2010

### Indiana Counties

- Final Budget Order Issued (Step 6) :91  
Due February 15, 2009  
(DLGF Action)
- 1782 Notices Issued (Step 5) :0  
(DLGF Action)
- Budget Review in Progress (Step 4) :0  
(DLGF Action)
- Awaiting Certified AV (Step 3) :0  
Due August 1, 2008  
(Co. Auditor Sends to DLGF)
- Awaiting Sales Ratio Approval (Step 2) :0  
(DLGF Action)
- Awaiting Ratio Study (Step 1) :0  
Due Spring 2008  
(Co. Assessor sends to DLGF)
- State is performing trending :1

NOTE: The current color indicates the previous step has been completed or approved.

A date indicates the date a county reached their most recently completed step.



Department of Local Government Finance  
1/13/2010



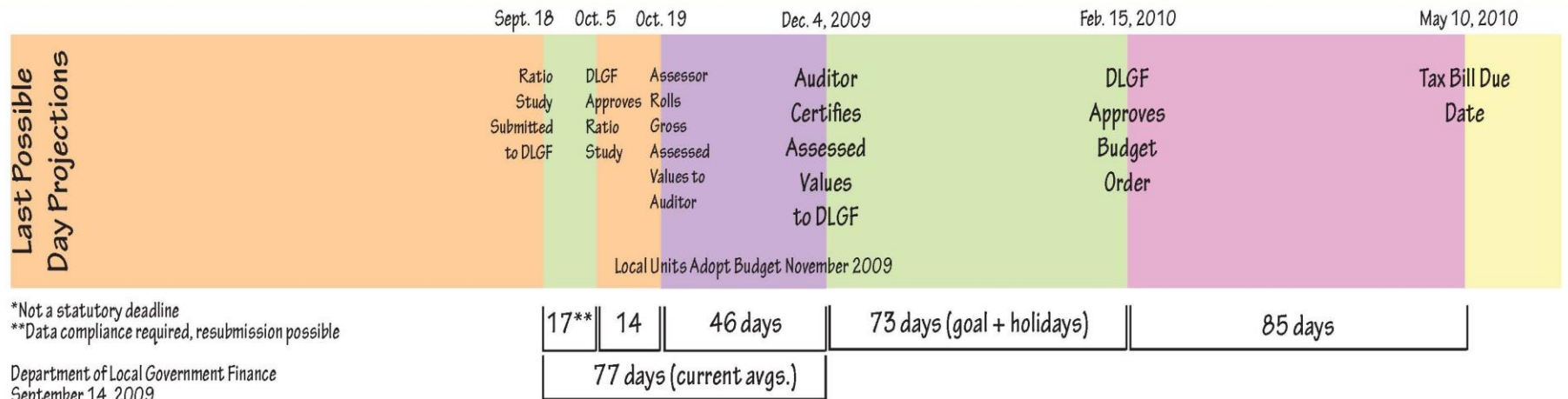
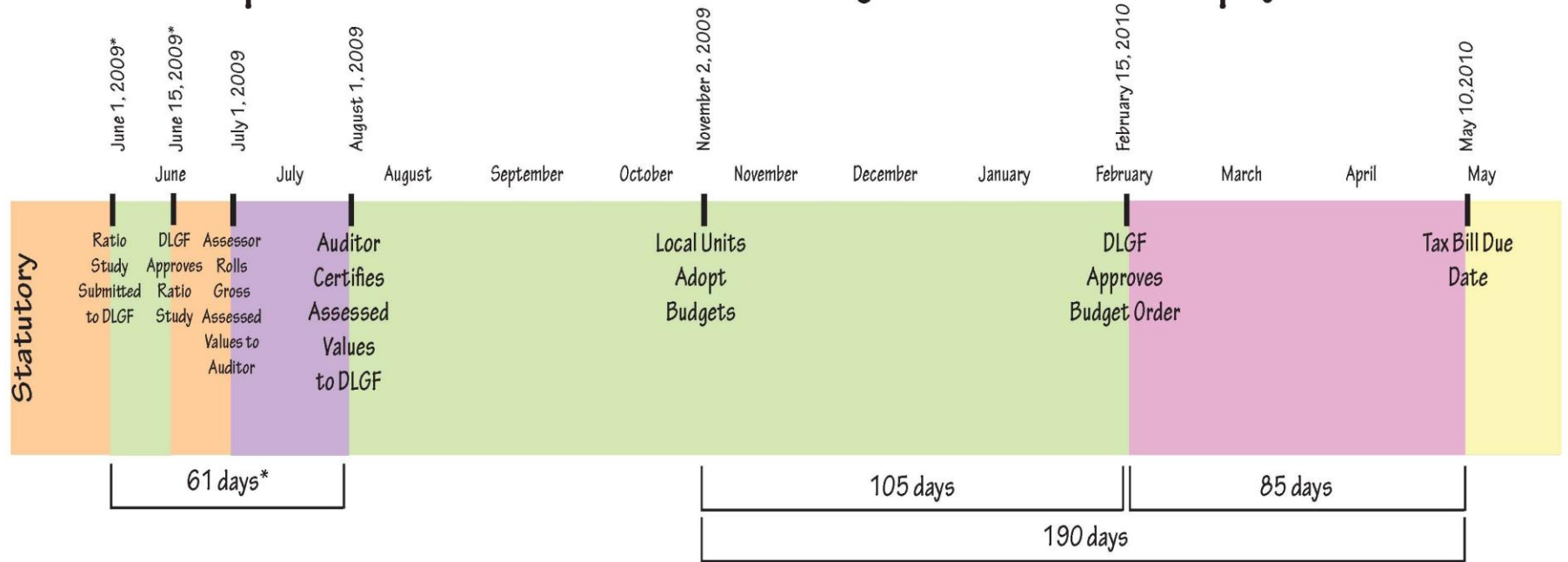
# 2010: “The Year of No Excuses”

In response to this challenge, the DLGF Team has accomplished the following:

- Streamlined the data compliance process for assessment-sales ratio study approval purposes;
- Simplified the annual adjustment rule to allow for the use of only one year of sales and repealed the previous guidance that assessments be changed even if assessment level and uniformity statistical measures were within international standards; and
- Established a goal to issue 2010 budget orders within 60 days from receipt of certified net assessed values from the county auditor.



# Comprehensive Assessment and Budget Timeline 2009 pay 2010

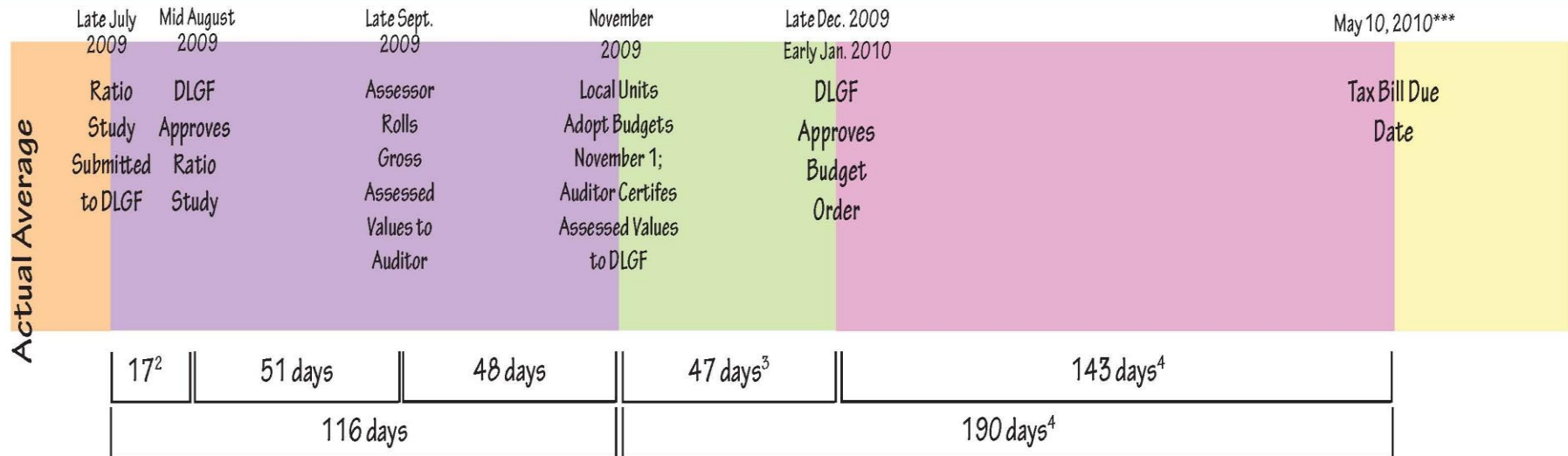
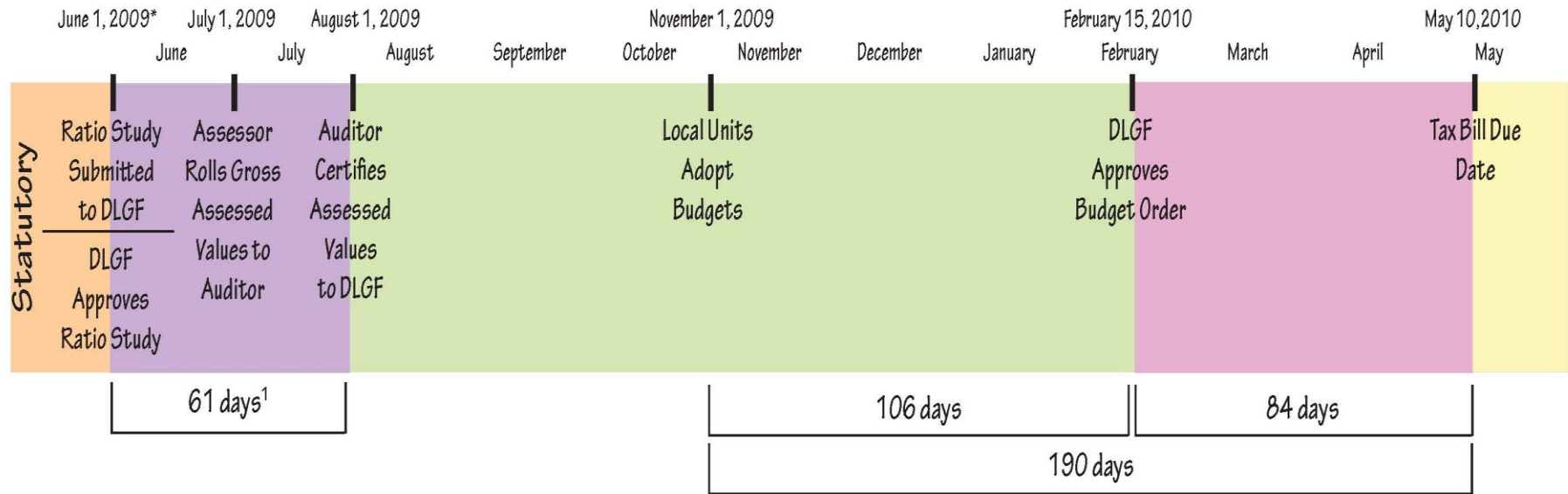


\*Not a statutory deadline

\*\*Data compliance required, resubmission possible

Department of Local Government Finance  
September 14, 2009

# Comprehensive Assessment and Budget Timeline 2009 pay 2010



<sup>1</sup>Not a statutory deadline

<sup>2</sup>Data compliance required, resubmission possible

<sup>3</sup>Average calculated from latter of November 1 or date of net assessed value certification

<sup>4</sup>Projections based on May 10, 2010 average tax bill due date



# 2010 Projections

- 70 to 75 counties will achieve on-time property tax billing
- Remaining counties will bill approximately four months ahead of pay-2009.
- 85% improvement from pay-2008 to pay-2010



# 2009 Budget Certification status as of January 13, 2009

Status Maps:

<http://www.in.gov/dlgf/6827.htm>

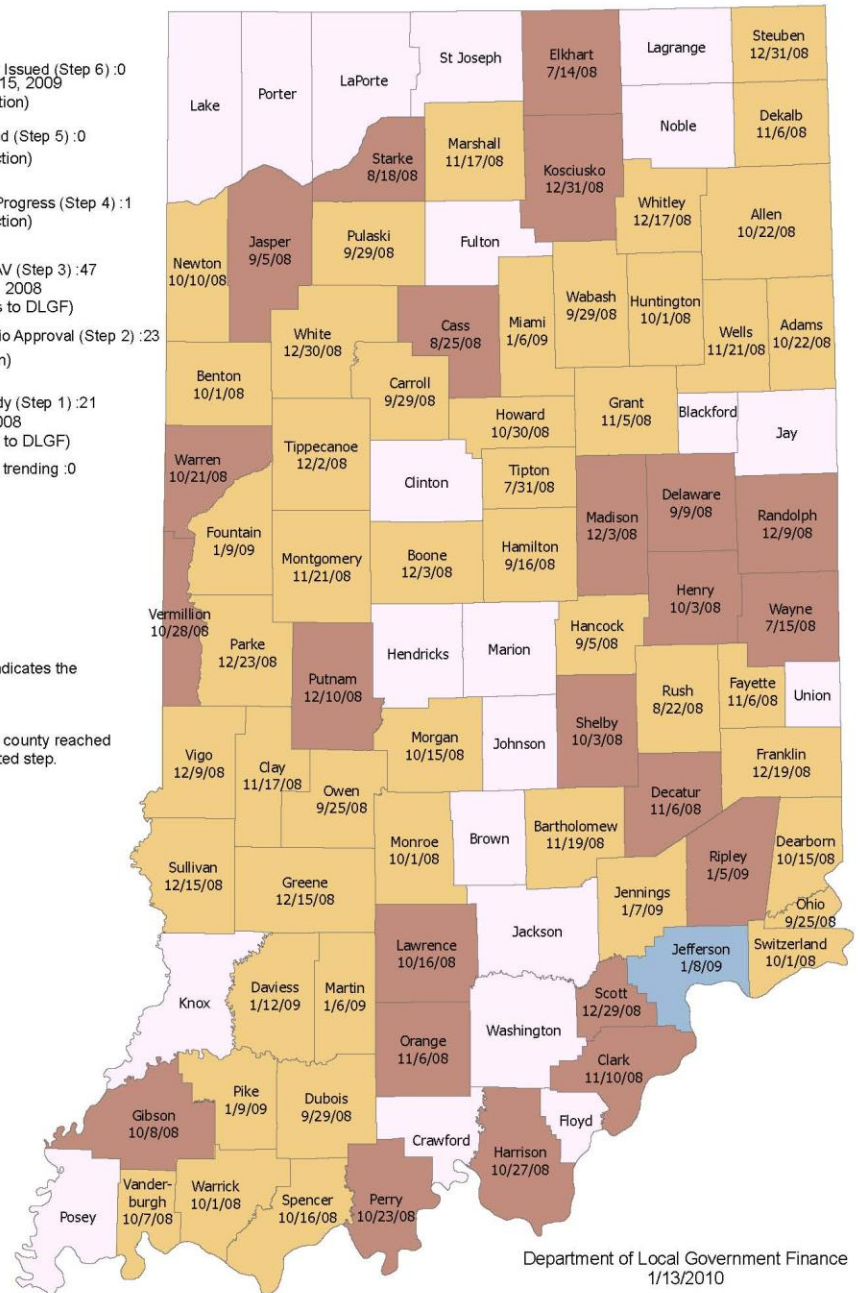
## 2008 pay 2009 Budget Certification Status Map As of January 13, 2009

### Indiana Counties

- Final Budget Order Issued (Step 6) :0  
Due February 15, 2009  
(DLGF Action)
- 1782 Notices Issued (Step 5) :0  
(DLGF Action)
- Budget Review in Progress (Step 4) :1  
(DLGF Action)
- Awaiting Certified AV (Step 3) :47  
Due August 1, 2008  
(Co. Auditor Sends to DLGF)
- Awaiting Sales Ratio Approval (Step 2) :23  
(DLGF Action)
- Awaiting Ratio Study (Step 1) :21  
Due Spring 2008  
(Co. Assessor sends to DLGF)
- State is performing trending :0

NOTE: The current color indicates the previous step has been completed or approved.

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Department of Local Government Finance  
1/13/2010



2009 pay 2010 Budget Certification Status Map  
As of January 13, 2010



# 2010 Budget Certification status as of January 13, 2010

Status Maps:

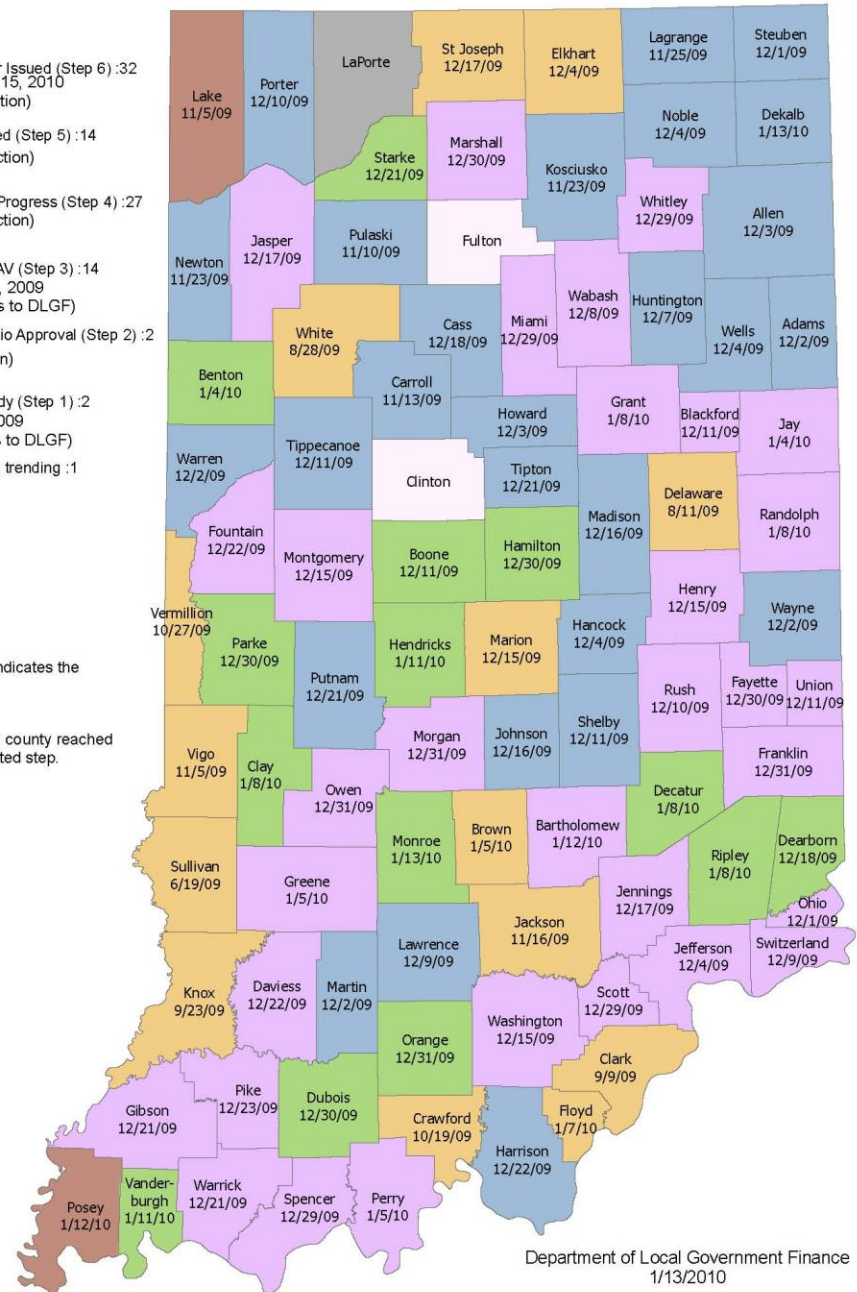
<http://www.in.gov/dlgf/6827.htm>

## Indiana Counties

- Final Budget Order Issued (Step 6) :32  
Due February 15, 2010  
(DLGF Action)
- 1782 Notices Issued (Step 5) :14  
(DLGF Action)
- Budget Review in Progress (Step 4) :27  
(DLGF Action)
- Awaiting Certified AV (Step 3) :14  
Due August 1, 2009  
(Co. Auditor Sends to DLGF)
- Awaiting Sales Ratio Approval (Step 2) :2  
(DLGF Action)
- Awaiting Ratio Study (Step 1) :2  
Due Spring 2009  
(Co. Assessor sends to DLGF)
- State is performing trending :1

NOTE: The current color indicates the previous step has been completed or approved.

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# 2011: Timeliness, Tools and Transparency

- **Timeliness**
  - Statutory deadlines must be met
- **Tools**
  - DLGF provides property tax and credit rate calculators
  - DLGF provides Circuit Breaker allocation calculator
  - DLGF provides standard reports
- **Transparency**
  - Additional review, education and training



# Conclusion

- Tax bills due 36% earlier in 2009 than 2008
- AVs are declining to reflect market
- Our Mission: Restoring Property Tax Cycle
- 2010 Census



# 2010 Census

UNITED STATES CENSUS

# 2010 *Indiana*



For more information, visit the Indiana 2010 Census Web page: [www.census.indiana.edu](http://www.census.indiana.edu).



# 2010 Census

- The U.S. Constitution requires that a Census be conducted every 10 years to count each person living in the country.
  - The Census is used to apportion congressional seats.
  - Results inform policymakers who construct government programs.
  - Census numbers are the basis of funding for many federal programs, up to \$1,200 per person.
    - Medicaid, WIC food grants, social services
    - Title I educational grants
    - Transportation
  - State funds are often distributed using Census counts.
- **Our objective is to ensure that every Hoosier is counted.**



# 2010 Census

- Census Day is April 1, 2010
- Short “do” list to promote U.S. Census:
  - Alert your staff to upcoming Census
  - Post the Census message or link on your Web page
  - Mention it at appropriate meetings / presentations
- Census Message added to DLGF Form 11, TS-1, etc...



# Contact The Department

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- Web site: [www.in.gov/dlgf](http://www.in.gov/dlgf)
  - “Contact Us”: [www.in.gov/dlgf/2338.htm](http://www.in.gov/dlgf/2338.htm)